

AQO

MEMORANDUM FOR RECORD

SUBJECT: AQO Staff Meeting Minutes, Jun 17, 97

NEWCOMERS ORIENTATION. On July 7, 97, AQO will sponsor a newcomers orientation from 1300-1700 in Room 4501. All newly assigned AQO personnel should plan to attend. Each team chief will provide a brief summary of their respective team responsibilities. POC is MAJ Floyd Smith, X3366.

CHALLENGE UPDATES. Ms. Pettibone remarked that she and Mr. Schmitt need to be either pre or post-briefed by Challenge owners when they provide their updates to Maj Gen Drewes.

GUIDEBOOKS. Ms. Kathy Zalonis, AQOJ, is working a process to see in what areas of the One Book we need guidebooks. Mr. Schmitt requested team chiefs give her their ideas, i.e., what they think is needed and in what areas they already have guidebooks, by Jun 23.

SUGGESTIONS. When processing suggestions from the field, Mr. Schmitt recommended the evaluator personally coordinate with the suggestor in an effort to foster good customer relations.

DLA ASSUMPTION OF COMMAND. The DLA Director Assumption of Command ceremony is planned for 1000 on July 16 in the DLA Auditorium. PLFA Commanders and their Deputies have been invited. This event is predicated on favorable Senate consideration of MG Henry Glisson as the next Director, DLA.

DLA DEPUTY DIRECTOR TO RETIRE. MG Ray McCoy, DLA Deputy Director, plans to retire on Oct 1, 97.

SINGLE PROCESS INITIATIVE (SPI) TEAM.

- o Mr. David Robertson, SPI Team, and Mr. William Evans, DCMDI, briefed the Defense Fuel Supply Center (DFSC) Commander and staff on the Management Councils/SPI concept. The purpose of the presentation was to provide DFSC with an overview of the Management Council/SPI approach with a view towards facilitating improvement projects such as streamlining site inspections and eliminating other non-value added government requirements. DFSC will be exploring the best approach to using Management Councils.

- o Ms. Marialane Schultz participated in a panel discussion with contractor personnel at the Defense Preparedness Association/National Security Industrial Association Symposium in Phoenix, AZ. The theme of the symposium was "Technical Information: Key to Success in the 21st Century" which fit naturally with many of the improvements being brought about by SPI. The panel session addressed how SPI and Block Changes are being used to implement the principles of Acquisition Reform on existing military contracts, focusing on the impact to technical data requirements.

CONTRACT PAYMENT & BUSINESS PRACTICES TEAM (AQOC).

- o On June 10, 1997, David Guinasso presented a briefing to approximately 20 Program Office, Contractor and DCMC Special Programs personnel who are considering the use of Performance Based Payments (PBPs) in an upcoming procurement. This would constitute the first use of PBPs for all the parties involved. The briefing included a general background on PBPs and a discussion of lessons learned from the administration of contracts utilizing PBPs.

- o The Defense Finance and Accounting Service (DFAS) Columbus is planning a functional reorganization. The reorganization will consolidate the eleven DFAS Columbus paying offices into three. They are hoping

to reorganize by September 30, 1997. This will require changing the paying office for approximately 390,000 contracts. In order to facilitate this reorganization, we plan to obtain a class deviation from Federal Acquisition Regulation (FAR) 4.201 and 43.301(a)(1)(iv) and the Department of Defense FAR Supplement (DFARS) 204.202. The deviation will permit the use of standardized letters to notify affected parties of the contract payment office changes, rather than issuing individual Standard Forms 30, Amendment of Solicitation/Modification of Contract, for each contract with full FAR and DFARS required distribution. DFAS Columbus will distribute the standardized letters to affected parties about one month prior to the effective date of the changes. An ARZ modification will change MOCAS. This is essentially the same approach that was used for prior DFAS reorganizations.

- o Dave Guinasso will be representing DCMC at the Simplified Progress Payment Working Group which will be meeting next week to review public comments and to begin drafting recommendations. A number of organizations previously not participating in the group have now asked to be included (IG, the Coast Guard, and several others).

PROPERTY MGMT, CONTRACT CLOSEOUT & TERMINATIONS TEAM (AQOE).

- o Successfully completed and certified the Functional Testing (FT) for TAMS on Friday in DCMC Chicago. Test started 27 May and concluded 13 June. Environmental Testing begins July 21. We currently expect to deploy TAMS in 3 stages. Full deployment is expected by Aug. 18 and certification by Sept. 18, 1997.

- o Ms. Patty Tellez has joined the AQOE team. She comes from our DCMC Baltimore Manassas office. She will be working contract closeout and canceling funds issues.

- o Ms. Janice Hawk is back from her year on the Senior Executive Leadership Program.

PRODUCT & MANUFACTURING ASSURANCE TEAM (AQOG).

- o Sarah Travelute, MLDP participant, completed her ONEBOOK - Commerciality project. She provided a final report, from a price-cost analyst perspective, on DCMC's role in this area and how this is articulated in current policy. AQO is currently reviewing the report and determining the appropriate course of action.

PRODUCT DESIGN, DEVELOPMENT & CONTROL TEAM (AQOF).

- o The Defense Manufacturing Council (DMC) is now the Defense Systems Affordability Council (DSAC) with a change in membership and a new charter. The council has increased its focus on logistics and life cycle cost and will monitor most initiatives that are under the acquisition and technology (A&T) sponsorship.

- o The selection process for the Software Center positions will start next week.

- o The announcement for the Earned Value Center positions is expected in a week.

WORKFORCE STRATEGY TEAM (AQOJ).

- o Mr. Ed Swiatek, Deputy, West District, is representing the Command on an OSD-sponsored Process Action Team reviewing the DoD Acquisition Education and Training Program structure and process. In particular, they are focusing on the consortium structure of the Defense Acquisition University and whether its organizational alignment and infrastructure are appropriate for the future.

- o Last year, DCMC had completed development of an executive development program. Prior to implementation, DoD established a new program, The DoD Leadership and Management Program (DLAMP), and the Executive Council voted to delay implementation of the DCMC program until further details of the DoD program had been worked out. Latest word is that the program was funded by DoD

FY98 and that hiring has begun for the program's staff. As yet, we still do not know how many positions, with DLA or DCMC, we will have to dedicate to the program. As further details are developed, we will provide information.

o The Director of Acquisition Career Management (DACM) for the Defense Agencies, Mr. Herb Cowles, has announced several opportunities for members of the Acquisition Corps of the defense agencies. Tuition assistance is available through the DACM office for three MBA Programs available by distance learning. In addition, the DACM is hooking up five permanent satellite classrooms in areas of high density of defense agency Acquisition Corps members, throughout the country. Programs available from the Executive Education Network (EXEN) will be made available for Corps members. Further details will be posted on the DCMC Home Page, as well as hot linked to the DACM Home Page for further details. The DACM's Home Page is <http://www.doddacm.com/acmp/>.

APPROVED:

ROBERT W. SCHMITT
Deputy Executive Director
Contract Management Policy